

Social Development Week 2008
Change for Good Governance, Good Governance for Change
Caucus of Development NGO Networks & Peace and Equity Foundation

Morning Session:

Quo Vadis, NGO Accountability?

Enhancing Ways to Improve Accountability in the NGO Sector

December 11, 2008, Institute of Social Order (ISO), Ateneo de Manila University

Time start: 9:30am Time end: 1:00pm

Moderators: Norman Jiao
 Executive Director, Association of Foundations

 Sylvia Paraguya
 Execom Member, CODE-NGO

I. Opening Remarks

CODE-NGO Execom Member, Sylvia Paraguya introduced the theme for this forum, "Change for Good Governance, Good Governance for Change." She noted that, given Barack Obama's recent win in the U.S. elections, change continues to be a very appropriate theme.

The morning session relates to CODE-NGO's work because their commitment as CODE-NGO is to take civil society leadership in advocacy, as well as to build capacity and accountability of its member networks and partners. The goal for 2008 to 2011 is to help improve sustainability and accountability in member networks and base organizations.

Accountability is an extremely important part of CODE-NGO's thrusts. If we NGOs demand for accountability from the government, NGOs themselves must become models of accountability. She challenged the assembly to let this session re-affirm their commitment for accountability to all stakeholders.

II. Presentation on NGO Governance and Accountability: Prospects and Issues

Fernando Aldaba, PhD., Chairperson of the Ateneo Economics Department, gave a brief overview of the basics of NGO accountability.

Accountability is a growing issue among NGOs because of the following reasons:

1. NGO influence in the economic and socio-political spheres has been increasing.
2. There is an increasing demand from NGO donors and sponsors.
3. There is an increasing clamor from partners (beneficiaries and clients).
4. There are cases of corruption and scandals within the NGO community as cited in *Very Public Scandals*, a paper done by Gibelman and Gelman in 2001.
5. NGO Communities should have an internal commitment to good governance.

NGOs have many responsibilities, which include:

1. Accountability to multiple stakeholders like donors, partners, state, sector, board, own staff and workers
2. Performance accountability, which includes an accounting of impact, effectiveness and efficiency of programs, and the level of empowerment and participation of stakeholders in program implementation.
3. Legal accountability, which means accomplishing SEC and BIR reports, complying with tax regulations and labor standards, and a commitment to non-violent action.
4. NGOs should also be transparent. Public should be informed and disclosure of information on donor sources, profile of board members, programs and projects, etc. are important

5. Functional accountability, which is the accounting for resources, resource use and immediate impacts.
 - Some people distinguish between functional versus strategic accountability. There are those who would say strategic accountability is more important, which would discuss the long term impact between the community and the larger environment.

Some mechanisms for NGO accountability are:

1. Regular reports and disclosures
2. Voluntary codes of conduct as guidelines
3. Self certification (PCNC) or Peer Accreditation (PAASCU)
4. State Certification and Regulation (SEC, DSWD, etc)
5. Rating organizations/ third party evaluations/ watchdog (NGO Watch)
6. Information agencies/ Media exposes/Awards Bodies
7. Strengthening board and staff associations

Some key issues related to NGO accountability are:

1. Balancing the demands of stakeholders
2. Enforcement of Codes of Conduct
3. Self certification is self election
4. State regulation and democratic space: Good fences make good neighbors? (Clarke, 2008)
5. Public engagement as a source of accountability (Songco, 2008)
6. Weak boards among Philippine NGOs; quick staff turnover
7. No clear mechanisms for partners (beneficiaries and clients) to exact accountability from NGOs.

One should aspire for good NGO governance because:

1. NGOs should be models for good governance to be credible as public interest advocates
2. As actors important for the preservation of democratic space, NGOs must responsibly fulfill their roles and justify the space available to them.
3. As venues for “good citizenship,” NGOs are important mechanisms for people to participate in building nation and society
4. Increasing number of people depend on NGOs for their livelihood
5. A larger number of citizens depend on them for services rendered like training and credit programs.

III. Presentation of Issues for Discussion by Panelists

Mr. Oman Jiao of the Association of Foundations served as the moderator for the panel discussion and interaction with the audience. He also acknowledged the role of an informal, voluntary group composed of representatives from various civil society, government and donor organizations called the “NGO Accountability Group (NAG)” in organizing this forum.

He introduced the following panelists and requested them to state their main propositions for improving accountability in the NGO sector:

Sector	Representative
Partner Community	Elmer Mailwas Manager, TriPARRD Federation of Agrarian Reform Beneficiary Coops
International Development Agency	Andrew Parker Senior Economist, World Bank
Cooperative Sector	Jovelyn Benedicto Manager, Union of Metro Manila Coops
NGO Sector	Carmencita Abella President, Association of Foundations

Ms. Carmencita Abella:

Ms. Abella stated that CODE-NGO networks should change their perspective of accountability. It should not be a peripheral task, but part and parcel of every organization's mission. She defined accountability as the willingness and the ability of an organization to answer for its decisions, its actions, and even the actions it chooses not to take. Talking about accountability that way, instituting accountability measures is integral to the organization's objectives and core mission, and therefore not taken as an extra task.

She felt that the most critical kind of accountability is performance accountability. Performance is a moving target. Thus, this focuses the need for NGOs to have strategic plans and to review their operations to determine if performance lives up to promises.

One cannot talk about accountability without talking about standards. Because organizations live in a community and are beholden to multiple stakeholders, standards should be created as a community. NGOs can determine their standards for themselves, but they must align with the generally accepted standards of a community. Thus, the matter of setting performance standards of NGOs must be a shared responsibility between NGOs, their community, the regulatory body, as well as donors.

She also advocated for not only emphasizing on the sanctions for violation of these standards, but the promotion of these standards as well. She suggested that it could be a worthwhile project to find ways to promote standards by providing incentives for good performance, instead of punishing non-adherence. Finally, she also brought up the need to look into building the capacity of organizations toward good governance.

Mr. Elmer Mailwas:

Mr. Mailwas stated that from the point of view of the people's organizations, the relationship of the POs and the NGOs should be continuing. It must not be limited to a project life, but must be sustained even beyond project. Though the partnership can change or might evolve on a different level, but the bottom line is that the partnership should be sustained.

Ms. Selena Fortich:

Ms. Selena Fortich introduced the function of DSWD to the assembly. DSWD is mandated to promote the welfare of the poor. In order to do so, it sets standards to regulate the organizational practice of social welfare and development agencies. They have developed guidelines for community-based organizations, residential-based organizations, and child placement and care agencies to achieve our mission.

One way to enhance accountability is by transparency. She urged organizations to be transparent in their processes and their compliance to set standards. Transparency shows that NGOs are true and sincere in their role as social protectors and responders to the needs of their community.

DSWD has a system of assessing and evaluation which are: registration, licensing, and accreditation. She says that DSWD values the contributions of NGOs, that's why they're trying to provide standards of their operation.

She shared that through the years, they have also encountered issues presented by Prof. Aldaba to the sector. There are still a number of NGOs that have not been accredited as they fail to achieve the standards set by the agency. She admitted that DSWD doesn't really know the universe of NGOs. Because of the sheer number of existing NGOs and limited human resources, DSWD cannot monitor all NGOs nationwide. In order to partially answer this problem, DSWD has area based standards network with partner NGOs, which is an extension of its monitoring functions in the different areas around the country.

Ms. Jovelyn Benedicto:

Ms. Jovelyn Benedicto says accountability in coops is really different from NGOs because it operates as a social enterprise. In order to maintain standards, coops have a separate regulatory body in existence, which is the Cooperative Development Authority, empowered by R.A. 6938 and 6939. However, in their years of existence, it was only in 2002 that agencies and the regulatory body were able to come together and focus on a specific sector—the credit sector. While CDA is able to set standards, there is a difficulty in monitoring and evaluating because of the lack of personnel and even partner networks.

Because coops operate as social enterprises, there are already a lot of mechanisms existing, especially when speaking of financial accountability. However, she admits CDA has yet to standardize processes because of the diversity of coops. Current mechanisms only cover evaluation of operations and business efficiency; the sector has yet to measure social impact.

She suggested that one way to strengthen accountability is to strengthen leadership. Coops are currently exploring the possibility of training their boards like the boards of business entrepreneurs. CDA is also about to implement the manual of operating rules and regulations (MORR). But she emphasized that coops adopt a mentality of self-regulation instead of merely relying on outside bodies to help them regulate.

Mr. Andrew Parker:

Mr. Parker began by saying the World Bank does not work with NGOs in an extensive manner. However, they believe NGOs have an important role to play in the development process. In the Philippines, the World Bank (WB) has engaged in a number of limited partnerships.

He began by clarifying that WB articles of agreement prohibit them from giving money directly to NGOs. But over the years, the bank has revolutionized working with NGOs and they are now able to work directly with selected NGOs.

He emphasized that World Bank does not want to work with corrupt NGOs who are not really committed to serving communities. He says there have been cases when WB's credibility has suffered when they have to face a country donor and explain why an NGO has absconded with project funding. Having said that, he acknowledged that the World Bank has difficulty in identifying good from bad organizations. They don't have the capacity to investigate every organization. This is why WB is calling on the community to help with this task. He emphasized the importance of a feedback mechanism to enable the public to come forward and report cases of misuse.

He shared that he understands that many NGO managers find the task of regularly documenting and logging activities, filling out reporting forms, etc. as part of an organization's accountability measures may be too tedious. But cultivating these habits is good for NGOs in the long run and systematizes the way they run programs.

He also noted that larger NGOs and smaller NGOs may call for different degrees of accountability. Nevertheless, he encouraged smaller NGOs to raise their game by learning from the collective experience of the sector. Mr. Parker urged the assembly to look at accountability from a broader perspective and to realize that to have integrity and gain privileged position, an organization has to earn it.

IV. Open Forum

Question #1: Ms. Jett Flores, Erda Foundation:

- How can we address the issue of aging staff, especially for NGOs which have been operating for a long time?

- How do we determine if NGOs that have been around a long time have impacted these communities? Is there research on the impact of NGOs with longevity on the community they serve? Or, if not, how can we undertake such without straining us financially?

Responses:

Ms. Carmencita Abella:

- Yes, it's important to do an impact assessment. We can ask the cooperation of the social research sector, like universities or other research centers, to accomplish that. If they know that the NGO sector is earnest to understand their impact on a more macro scale, they would want to work with us. There are ways to do this without a lot of expense, but it needs to be put in the agenda of the NGOs.
- There are also other ways to accomplish this, even in the way we frame our plans. We need to have strategic plans that have had the meaningful participation of our boards, so it'll be easier to get support for our plans. Our plans should lead to a living and dynamic set of targets and results. Then there should be a system by which to evaluate whether these targets and results are achieved at certain period of time set.

Prof. Aldaba:

- While we can engage the social research sector to do impact studies on NGO programs, we also have to address the lack of documentation among many NGOs. There is a lack of data on which impact evaluation could be based. The challenge is to come up with innovative systems of evaluation, which could maximize the available information NGOs have today. Even large NGOs lack baseline data where social research can begin.

Question #2 Ms. Ve Villavicencio, Peace and Equity Foundation:

- (To Mr. Mailwas) What are your expectations in terms of sustaining PO relationships with NGOs? The trend now is toward phasing out (after project/program interventions), so that the POs will be able to be self-determining. Do you have an idea to solidify this kind of partnership?

Response:

Mr. Elmer Mailwas:

- POs would usually need the assistance of the NGOs in these areas:
 - Technical assistance- strategizing on how to proceed with our area development plans
 - Resource mobilization
 - Policy advocacy
 - Capacity building.

Question #3: Ms. Mayet Paragas, CordNET:

- Why can't DSWD work with PCNC to find out the similarities between their requirements and so we won't have to be subjected to separate accreditation processes?

Response:

Ms. Selina Fortich:

- Issuance of PCNC certification is different from issuance of DSWD licensing or accreditation. Prior to application to PCNC, you have to register with DSWD. DSWD will endorse you to PCNC.

Question #4 Mr. Dong Cucio, Operation Compassion International:

- How are we as NGOs to work with mayor and barangays, even if they're corrupt, to effect meaningful change?

Response:

Ms. Jovelyn Benedicto:

- If you want to involve the local government, you could try joining the local councils.

Question #5 Ms. Lito S. Adriano, Global Care Foundation:

- In a matter of NGOs acting as contractors, there were some papers that we should have been copied in, so we could see the value of the manpower we supplied and make sure there was no corruption. We weren't even given due recognition, despite our efforts. What can we do to address these situations?

Response:

Mr. Andrew Parker:

- Talk to colleagues and bring it up to higher management level. Make your case. Document the situation. I know it's risky but it's important to bring it up to the people who need to know about it.

V. Synthesis by Moderator

Ms. Sylvia Paraguya synthesized the main points raised in the discussions. She reiterated that accountability should be woven into the vision, mission, and strategic plan of an organization. It should also be translated into habits. She said there should be a set of accountability standards defined by the community and that we cannot do without a minimum acceptable quality of NGO performance. The morning session also brought out challenges for the NGOs to install effective systems for assessing projects, feedback mechanism, monitoring systems. Organizations should also look into professionalizing their boards and members in terms of good governance.

VI. Closing Remarks & Acknowledgments

Ms. Felicitas Rixhon, CODE-NGO Board Member, said that she has seen that there is no resistance from any organization present to becoming more accountable. The only question is how to go about it. She cited that some organizations and networks, e.g. PCNC and CODE-NGO, have existing mechanisms and standards of accountability to help organizations assess themselves or install accountability systems. She also encouraged NGOs that as they do good, they should also commit to be accountable in the work that they do. Improving our performance and being accountable in the end means improving the conditions of the communities we are serving. With that, she thanked the panelist for their inputs and the audience for their participation in the discussions.

CODE-NGO SDW2008 Forum: Quo Vadis, NGO Accountability?
December 11, 2008, ISO – Ateneo de Manila University
List of Attendees

<u>Name</u>	<u>Organization</u>
1. Calica, Carlos	
2. Mabaso, Francisco	AADC
3. Canlas, Joy Precious	Advocate of Philippine Fair Trade
4. McCosker, Cherie	Advocate of Philippine Fair Trade
5. Cano, Cesar	AGB
6. De Leon, Richard	AGB
7. Rovira, Cherry	AGB
8. Redoblado, Sarah	Alterplan
9. Bumatay, Ruel	AMLCS
10. Simbulan, Lemia	Andres Soriano Foundation
11. Cabrera, Norman	Ang Kapatiran Party List
12. Navallasca, Lorena	Antique Federation
13. Sumndad, Rohaniza	Asia America Initiatives
14. Aduna, Dana	Ateneo de Manila University
15. Brillantes, Dominique	Ateneo de Manila University
16. Palo, Aepiril Maita	BANGON
17. Hernandez, Ariel	BMFI
18. Almogino, My	BPI
19. Fantilaga, Eliseo	Capiz CODE
20. Flores, Maribel	Childhope Foundation
21. Lumdang, Ely	CMI – CORDNET
22. San Agustin, Ed	CMM Ugaw Net
23. Bahia, Mildred	Coalition for Bicol Development
24. Bañares, Joy	Coalition for Bicol Development
25. Samar, Ram	Coalition for Bicol Development
26. Marcelino, Rolando	COPE
27. Butz, Ma. Tita	CTRC
28. Baron, Ares	DENR
29. Paga, Edita	DENR
30. Docena, Agustin	Eastern Visayas Network
31. Lawsin, Paulina	Eastern Visayas Network
32. Maray, Godofredo	Eastern Visayas Network
33. Mosquiza, Ian	Eastern Visayas Network
34. Barbarona, Raul	Environmental Legal Action Center
35. Fabros, Conchita	ERDA Foundation
36. Flores, Julieta	ERDA Foundation
37. Paulino, Noel	ERDA Foundation
38. Roxas, Paul	FORGE Cebu
39. Cadiz, Fel Ceazar	Foundation for Philippine Environment
40. Agbuya, Neriza	Foundation for Philippine Environment
41. Angeles, Adelyn	Foundation for Philippine Environment
42. Debuagan, Ramie	Foundation for Philippine Environment
43. Isaac, Carygine	Foundation for Philippine Environment
44. Lucero, Almario	Foundation for Philippine Environment
45. Pagatpatan, Maylyn	Foundation for Philippine Environment
46. Suazo, Julano	Foundation for Philippine Environment
47. Adriano Leah	Global Care
48. Adriano, Lito	Global Care
49. 100. Firmase, Josephine	Iloilo CODE
50. Areño, Emmanuel	Iloilo CODE
51. Lim, Liza	Institute of Social Order

52. Fernandez, Marvin Glenn	Jesuit Volunteers of the Philippines
53. Fernandez, Marvin Glenn	Jesuit Volunteers of the Philippines
54. Romero, Eloisa	JICA
55. Baldoza, Chona Evelyn	Josefa Segovia Foundation
56. Zabala, Celerina	KAPPIA Network
57. Suquila, Vanessa	Lopez Group Foundation
58. Corro, Dolores	Mindanao Coalition of Development NGO Networks
59. Digal, Ian	Mindanao Coalition of Development NGO Networks
60. Mang-usan, Abraham	Mt. Province Network
61. Mayor, Ruby	National Confederation of Cooperatives
62. Avelino, Michelle	National Confederation of Cooperatives
63. Bobis, Marc Anthony	National Confederation of Cooperatives
64. Carillo, Luis	National Confederation of Cooperatives
65. Estocada, Jennifer	National Confederation of Cooperatives
66. Gandiongco, Reynaldo	National Confederation of Cooperatives
67. Lim, Emilia	National Confederation of Cooperatives
68. Magdaong, Romeo	National Confederation of Cooperatives
69. Omalin, Paulo	National Confederation of Cooperatives
70. Santibañez, Edith	National Confederation of Cooperatives
71. Santos, Emelina	National Confederation of Cooperatives
72. Nuqui, Ma. Teresa	NORFIL Foundation
73. Lanuza, Zaldy	Operation Compassion
74. Cucio, Dong	Operation Compassion International
75. Sarmiento, Marichu	PAL Foundation
76. Rixhon, Fely	PCPD
77. Abando, Rolando	PHILDHERRA Mindanao
78. Baang, Paul	PHILDHERRA Mindanao
79. Dela Rosa, Renato	Philippine Business for Social Progress
80. Guevarra, Kathleen Joy	Philippine Business for Social Progress
81. Labit, Janelle	Philippine Business for Social Progress
82. Madronio, Lady Diane	Philippine Business for Social Progress
83. Quiobe, Marivic	Philippine Business for Social Progress
84. Soledad, Felicidad	Philippine Council for NGO Certification
85. Catacutan, Elvira	Philippine NGO Support Program
86. Balderrama, Benedict	PHILSSA
87. De Rosas, Nick	PHILSSA
88. Karaos, Anna Marie	PHILSSA
89. Pindang, Geraldine	PHSJ – Davao
90. Rikken, Remedios	PILIPINA
91. Magpayo, Cezario	PLCPD
92. Iting, Simplicia	Providence Home of St. Joseph
93. Paragas, Marietta	Shontoug Foundation – CORDNET
94. Garcia, Margreth	SNHU-SCED
95. Neva, Johanessen	Streetlight Philippines
96. Permejo, Nina Majarlika	Streetlight Philippines
97. Baybay, Beryl	TAO – PIL
98. Concepcion, Charlston	Union of Metro Manila Coops
99. Magbitang, Myrna	Union of Metro Manila Coops
100. Cabile, Ruel	World Vision